

**MINUTES OF THE
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-fourth Session
March 30, 2007**

The Senate Committee on Government Affairs was called to order by Chair Warren B. Hardy II at 10:33 a.m. on Friday, March 30, 2007, in Room 2149 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Warren B. Hardy II, Chair
Senator Bob Beers, Vice Chair
Senator William J. Raggio
Senator Randolph J. Townsend
Senator Dina Titus
Senator Terry Care
Senator John J. Lee

STAFF MEMBERS PRESENT:

Candice Nye, Assistant to Committee Manager
Eileen O'Grady, Committee Counsel
Michael J. Stewart, Committee Policy Analyst
Erin Miller, Committee Secretary

OTHERS PRESENT:

Renee Parker, Chief of Staff, Office of the State Treasurer
Drew Solomon, Senior Deputy Treasurer, Las Vegas Office, Office of the State Treasurer
Patrick G. Foley, Chief Deputy Treasurer, Office of the State Treasurer
Mark Winebarger, Deputy of Cash Management, Office of the State Treasurer
Alvin P. Kramer, Treasurer, Carson City
Dana K. Bilyeu, Executive Officer, Public Employees' Retirement System
Dave McTeer, Division Chief, Information Technology Division, Department of Administration

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Dennis Colling, Chief, Administrative Services Division, Department of Motor Vehicles

Dino DiCianno, Executive Director, Department of Taxation

Mendy K. Elliott, Director, Department of Business and Industry

Cynthia A. Jones, Administrator, Employment Security Division, Department of Employment, Training and Rehabilitation

Crystal Jackson, Commission Secretary, Public Utilities Commission of Nevada

Andrew Clinger, Director, Department of Administration

CHAIR HARDY:

We open the hearing on Senate Bill (S.B.) 511.

SENATE BILL 511: Makes various changes relating to state financial administration. (BDR 31-495)

RENEE PARKER (Chief of Staff, Office of the State Treasurer):

Senate Bill 511 is cleanup language with respect to collateral pools. It is meant to accomplish three things: more clearly define eligible public monies to be secured through the Nevada collateral pool, update the statute to hold securities in the name of the Nevada collateral pool rather than the State Treasurer and eliminate redundant, weekly reporting unless requested.

There is a change to the Account for Travel Advances in the state General Fund that has a balance of about \$180,000. The account was set up in 1959, and agencies do not use it because there are other provisions to get travel advances through agency budgets. That \$180,000 would go back into the General Fund unrestricted. The statute requires agencies to deposit money into the State Treasurer's Account on Thursdays. It is very restrictive. We are asking it be changed to "on or before Thursday." The sooner the money goes into the fund, the more interest we get.

CHAIR HARDY:

I had some questions with section 4.

MS. PARKER:

We have an amendment to section 4 ([Exhibit C](#)) to better clarify a definition we requested.

CHAIR HARDY:

Can you go over section 2? What change are we making?

DREW SOLOMON (Senior Deputy Treasurer, Las Vegas Office, Office of the State Treasurer):

The acceptable securities language is being moved from *Nevada Revised Statute* (NRS) 356.360 into the formal definition area of the statute. It defines what securities may be pledged for the benefit of the pool.

CHAIR HARDY:

It is better for public understanding in the definition section.

MR. SOLOMON:

It was embedded in the statute detail, and we pulled it into definitions. Section 3 is the deletion of local government and an amendment into section 4 where the definition of "public money" gets expanded.

CHAIR HARDY:

Describe the expansion of "public money."

MR. SOLOMON:

Our goal with the Nevada collateral pool is to become inclusive and cover as many agency and public monies as possible. The definition under local government in the existing statute limits us, and we are expanding the definition to be more inclusive of what we can cover as participation in the pool.

CHAIR HARDY:

We are endeavoring to include everything except tribal or federal money. Instead of defining what it is, we are defining what it is not.

MR. SOLOMON:

Statutorily, the Native American and federal government monies are not for consideration for the Nevada collateral pool. The program is voluntary.

MS. PARKER:

The Public Employees' Retirement System (PERS) is going to present an amendment. We are neutral on that amendment.

SENATOR BEERS:

What is "an official custodian with plenary authority"?

MR. SOLOMON:

That is an agent or somebody designated with full authority over a deposit account relationship. We are intending it for consideration under government agency deposits.

SENATOR CARE:

Could you be more specific about the "official custodian"? Who would that be outside of the Office of the State Treasurer?

MR. SOLOMON:

The program is offered to local government agencies; within those agencies, they have a designated authority who can act on their behalf with banking deposit relationships.

PATRICK G. FOLEY (Chief Deputy Treasurer, Office of the State Treasurer):

The official custodians are local governments that would participate in the pool as official custodians of public monies.

SENATOR TITUS:

Why do we need to do this? Does this expand the State Treasurer's authority to make investments?

MR. FOLEY:

We are allowing additional agencies on the cusp to participate in the Pooled Collateral Program. The Nevada Pooled Collateral Program is part of NRS 356 and protects deposits government agencies maintain with banks. Each local government is required to have collateral backing up to 102 percent of the deposits they have in uninsured balances. For example, this program allows Bank of America to create one large pool of collateral that backs all the government agencies that bank with Bank of America. There have been questions whether Tahoe-Douglas Visitor's Authority is a member of the pool because they receive dollars from outside government agencies. The determining factor was who would be responsible should the bank default. It would be in the best interest of the government to have these deposits included in the Pooled Collateral Program. We are trying to create a further definition of the official custodians that would allow these entities to become participants of

the pool. We have a successful program with 1,600 accounts that participate in the pooled arrangements.

SENATOR BEERS:

Is this where the state has money in the bank and seeks security against that money being absconded?

MR. FOLEY:

Should the bank default, the state assets on deposit with the bank would be protected. It is not protection should an employee abscond with the money.

SENATOR BEERS:

Does the state pay a fee for this service?

MR. FOLEY:

The banks pay for this position. We assess the fee to maintain this position on an annual basis, and the banks afford the cost. We have had accolades from audit groups, local governments and banks.

CHAIR HARDY:

We will move to sections 5 and 6 of S.B. 511.

MR. SOLOMON:

The securities were pledged on behalf of the State Treasurer. We would like to amend that to "the securities are pledged for the benefit of the Nevada collateral pool."

CHAIR HARDY:

Can you describe sections 7 through 11?

MS. PARKER:

Sections 7 through 11 delete the Account for Travel Advances. The Account has not been used since October 11, 2000, because agencies get a travel advance under the *State Administrative Manual* through their specific budgets.

CHAIR HARDY:

Section 12 abolishes the Account, and section 13 deals with the unencumbered money.

SENATOR RAGGIO:

Why are you changing the function from the State Treasurer to the State Controller in section 8?

MS. PARKER:

The travel account that exists is overseen by the State Treasurer. When we delete that account, it will go through the state accounting system, and the State Controller would issue travel advances as they come through the state budgets.

SENATOR BEERS:

Is this change made possible by the system we added to the Integrated Financial System (IFS)?

MS. PARKER:

It is made possible because the agencies can now get specific approval. We have this general account no one utilizes. Changes in the *State Administrative Manual* restricted how you could access that account, so the agencies go through their budget system out of the IFS Advantage system.

MARK WINEBARGER (Deputy of Cash Management, Office of the State Treasurer):
The Account is no longer necessary because agencies can receive checks the next day. In the old system, it would take several days.

ALVIN P. KRAMER (Treasurer, Carson City):

The collateral pool benefits local governments. It takes the responsibility local governments have of keeping bank deposit collaterals and moves it to the pool.

CHAIR HARDY:

Can Ms. Bilyeu explain her amendment? If the program is voluntary, why do you want an exemption?

DANA K. BILYEU (Executive Officer, Public Employees' Retirement System):

The proposed amendment to S.B. 511 ([Exhibit D](#)) is identical to the one offered to S.B. No. 447 of the 72nd Session. It is the same language going forward, but was not successful on the Assembly side so the bill was brought back this session. We are asking for the same amendment. At the beginning of the local government collateral pool in 2003, the intent was to make it a mandatory pool. There was some concern that PERS was to be included. For purposes of the

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collateral pool, the pension fund cannot participate where equities or collateral is held in any other name except the retirement system. The amendment clarifies this.

SENATOR BEERS:

Both the PERS and State Treasurer amendments look good.

CHAIR HARDY:

We will close the hearing on S.B. 511.

SENATOR BEERS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 511.

SENATOR RAGGIO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR HARDY:

We will open the hearing on S.B. 517.

SENATE BILL 517: Requires that certain payments to the State of Nevada be made electronically. (BDR 31-633)

DAVE McTEER (Division Chief, Information Technology Division, Department of Administration):

Senate Bill 517 addresses two problems. One problem is that paper checks can be bounced by the payer. If the amount is \$10,000 or more, this becomes a significant issue. The second problem is when the agency absorbs credit card fees on payments of \$10,000 or greater, those fees can become hefty. This bill is designed to prevent using credit cards for items of \$10,000 or more and require use of the Automated Clearing House (ACH), electronic check or wire transfer transactions. The costs are nominal in those cases.

CHAIR HARDY:

Are electronic transfers not largely used?

MR. McTEER:

In some cases, electronic transfers are used, but people use credit cards for substantial amounts.

SENATOR BEERS:

Some credit cards have cash-back rewards. You would get 1 percent of purchases back in the form of a check every year. That is why someone would use a credit card to make large payments. What is the difference in cost to the state between a credit card transaction and the other alternatives?

MR. McTEER:

The electronic check cost is 20 cents per transaction if the agency absorbs those costs. On a Visa credit card transaction, the cost would be 20 cents plus as much as 2.5 percent. There is no discount fee for the credit cards. It all depends on the type of card and merchant.

SENATOR BEERS:

On a \$10,000 charge, would there be a \$250 amount the state loses?

MR. McTEER:

That is correct.

SENATOR BEERS:

That shows up as an expense for the agency?

MR. McTEER:

It would.

SENATOR BEERS:

Why is the taxpayer who pays with a credit card not getting charged the \$250?

MR. McTEER:

In some agencies, they charge that back. Another bill is trying to address a number of complications that arise in how the credit card companies allow you to charge those fees back to the credit cardholder. Governor Jim Gibbons told me he would support the use of credit cards but not if agencies absorb the costs.

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SENATOR BEERS:

Why did you settle on a \$10,000 threshold?

MR. McTEER:

A survey showed that is typical of what other states did. The fees were not unreasonable below that amount if the agency absorbed them. The other issue is a liability issue. Under the federal Fair Credit Billing Act, anybody who disputes a charge, including to a government agency, has the right to have that charge temporarily removed. The money will not be given to the agency until that dispute is resolved. On items of \$10,000 or greater, that could be a cash flow issue for the agency.

SENATOR BEERS:

Would you have an objection if the Committee supported reducing the \$10,000 threshold?

MR. McTEER:

I would not, but I would like to hear from other representatives.

SENATOR BEERS:

How long have we been taking credit cards?

MR. McTEER:

Some agencies have been taking credit cards for a number of years. We have been on the electronic payment and credit card platform for two years.

CHAIR HARDY:

Can we get an answer why we would not want the threshold lowered?

MR. WINEBARGER:

Lowering the threshold would expand ACH and direct deposit transactions in our office. Our bank statements would get very large, and it would be hard to track the money.

SENATOR BEERS:

The flip side of the electronic check is it comes as an anonymous transaction on your bank statement.

MR. WINEBARGER:

There are addendum records which would help, but we would not know which agency sent the money.

SENATOR BEERS:

Could we set up multiple accounts for incoming monies that would zero out every day so you can sort the agency that generated the transaction?

MR. WINEBARGER:

We discussed that option. We support this bill, but the \$1,000 threshold is low. We could set up additional accounts. It would require one account for every agency. It is a lot of work to reconcile all the accounts.

CHAIR HARDY:

We could give you time to find out how low you can get the threshold.

SENATOR BEERS:

Does an electronic payment come in like that?

MR. WINEBARGER:

The electronic payments come through the electronic payments system where they are identified by the agency. If we start moving to ACH transactions for items we receive checks for now, they would be individual items.

SENATOR BEERS:

We can push taxpayers onto the electronic payment platform.

MR. WINEBARGER:

That would be fine.

SENATOR BEERS:

I cannot do an ACH transaction on my Department of Motor Vehicles (DMV) registration.

DENNIS COLLING (Chief, Administrative Services Division, Department of Motor Vehicles):

The DMV supports S.B. 517. You can do your renewal on the Internet by electronic check but not by ACH.

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SENATOR BEERS:

My payment options are credit card or electronic check on the Internet. At the counter, I can use everything except my debit card.

MR. COLLING:

The differences in cost between debit and credit cards are extraordinary. The average cost of a credit card transaction is \$4. Debit card transactions are less than \$1.

SENATOR BEERS:

What is your time frame to add debit cards?

MR. COLLING:

We have added the use of debit cards over the Internet. We are the largest governmental user of PIN-less debit cards through Star Network. There are three phases to debit cards: over the Internet, behind the scenes mail-in transactions and PIN pads at the counter. We went before the Interim Finance Committee and received some funding. We are ensuring the PIN pads can hook up to our computers properly. We expect that to be done this fiscal year.

SENATOR BEERS:

Are those debits showing up in a Treasurer account bank statement not attributed to DMV registration fees?

MR. WINEBARGER:

We have set up a separate bank account for the DMV. The way they operate is fine as long as we do not have individual credits to our bank account for each transaction.

SENATOR BEERS:

If we expand the use of ACH transactions, the answer would be a series of sweep account setups, one for each agency that takes debits. You would have one number, the sweep figure, coming out of that account into the general account.

MR. WINEBARGER:

That is correct. We are more concerned about other agencies receiving payments in excess of \$1,000 where they do not come through an electronic

payment. If a person is required to make a \$2,000 payment by ACH, that will show up as one line item on our bank statement and be difficult to reconcile.

SENATOR BEERS:

Unless the agency has a separate bank account set up to receive that, the daily sweeps into your main account.

MR. WINEBARGER:

That would be one scenario. They have to have multiple ACH vendors they would send money to, and there are chances of error.

SENATOR BEERS:

Do you think this is manageable?

MR. WINEBARGER:

This is manageable but difficult. We do not want 50 more bank accounts to manage.

SENATOR BEERS:

If we were saving \$6 million to \$10 million a year, we might.

MR. WINEBARGER:

We would need more accounting assistants.

SENATOR BEERS:

I am not convinced it would take many additional accounting assistants, but if it saves \$10 million a year, it would be worth it.

CHAIR HARDY:

I would like to give you more time to address those issues.

DINO DICIANNO (Executive Director, Department of Taxation):

Our statutes for sales tax provide that if a retailer has reportable taxes owed of \$10,000 or more, they automatically go to a monthly reporting. Section 1 of S.B. 517 works well for us, and we are here in support. The Department of Taxation allows Internet filing and payment but only accepts ACH payments.

SENATOR BEERS:

Does the burden for reconciling the bank record fall on your Department?

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MR. DICIANNO:
Yes, it does.

MR. COLLING:
We conducted a survey of 50 states to discover the programs in place for mandatory or voluntary limits on charges they require electronically. Forty-two states have requirements as shown in my handout ([Exhibit E](#)).

In the last four months, the DMV received 143 credit card transactions between \$10,000 and \$25,000 totaling \$1.9 million. We received 25 transactions during that same period between \$25,000 and \$50,000 and 4 transactions by credit card for more than \$50,000. The costs associated with those 172 transactions approximated \$60,000. It would be significantly less if another method was used. During the last year and a half, two checks written to the DMV for approximately \$3 million each were returned. If that was done electronically, we would not have had to deal with the issue.

SENATOR BEERS:
With ACH and electronic check transactions, you would find out sooner that the person cannot pay the bill?

MR. COLLING:
In one case, the \$3-million check was written on the wrong account. In the other case, the person who signed the check did not have authority to sign for that amount of money. Those funds were not available to the state to earn interest and available to the company making the mistake.

MENDY K. ELLIOTT (Director, Department of Business and Industry):
As we move into e-commerce, the Real Estate Division is rolling out a program where realtors can renew online utilizing electronic transactions. The \$10,000 is an appropriate amount. Many of our fines within the Division are at a threshold of \$10,000 or greater. We support S.B. 517.

SENATOR BEERS:
If you are planning on implementing credit card payments in the next biennium, you should have an expense figure in your budgets representing the fees.

MS. ELLIOTT:

We are looking at that. We are in discussion with the Division to ensure no expense to the state.

CYNTHIA A. JONES (Administrator, Employment Security Division, Department of Employment, Training and Rehabilitation):

I am in support of S.B. 517. We have been successful with our electronic payment efforts. We do not impact the State Treasurer. We have a separate account. We collect payments from 57,000 businesses each quarter and over 13,000 are collected through electronic payment.

SENATOR BEERS:

Do you take credit cards?

MS. JONES:

We do not at this time.

CRYSTAL JACKSON (Commission Secretary, Public Utilities Commission of Nevada):

We are neutral on this bill. We agree with the concept, and it makes good business sense. However, we have proposed amendments to consider ([Exhibit F](#)). We have spoken with proponents of the bill who have no opposition.

MR. McTEER:

I support those amendments.

MS. JACKSON:

Section 1, subsection 1 of S.B. 517 requires a state agency to accept any method of electronic transfer of money specified in the "Electronic transfer of money" definitions in section 4. Some agencies only accept certain methods of electronic transfer. We would like to amend the bill to reflect the agency will determine which methods it will accept.

Section 1, subsection 3 requires funds to be paid before they are due. However, ACH transfers are not accessible by the agency for one or more days due to state processing. The amendment language would clarify the transfer must occur by the due date, not the accessibility. State agencies cannot require payments be made before legally required.

SENATOR BEERS:

A transfer is a two-way process. I would read this and not be clear if this was the transfer from my account or to your account. Would it be better if we said "the electronic payment must be made on or before the date that such payment is due"?

MS. JACKSON:

That would be acceptable. We are trying to steer clear of mandating the money be accessible on the due date. Section 3, subsection 3 is not applicable to the Public Utilities Commission, but we are concerned about requiring the use of Social Security numbers in conjunction with payments to state agencies.

MR. McTEER:

We put in that section of the bill at the Employment Security Division's request.

MS. JONES:

This language ties to our ability in discerning who the individual taxpayer is in the event the service bureau pays one lump sum to cover a variety of employer tax liability. We are open to working on the language to make sure other agencies are not adversely impacted.

SENATOR BEERS:

How about replacing " ... and social security number" with " ... and appropriate identification number if any"?

CHAIR HARDY:

We will close the hearing on S.B. 517 and open the hearing on S.B. 518.

SENATE BILL 518: Revises provisions governing work programs. (BDR 31-627)

ANDREW CLINGER (Director, Department of Administration):

Senate Bill 518 is the Budget Division's housekeeping bill. It cleans up language in NRS 353 to reflect our current practice. *Nevada Revised Statute* 353 requires each agency to submit a work program for the legislatively approved budget to the chief of the Budget Division. This bill changes the language to reflect what we do in practice. We receive an electronic file from the Legislative Counsel Bureau on the budget. We maintain that file and transmit it to the State Controller's Office to book it into the IFS Advantage system.

SENATOR BEERS:

There is a companion to this in the budget: the enhancement to IFS.

MR. CLINGER:

That is a different issue. This bill refers to the original work program established for the legislatively approved budget. We do that electronically through our budget system. When there are changes to the budget, we do that through a manual process.

CHAIR HARDY:

We will close the hearing on S.B. 518.

SENATOR BEERS MOVED TO DO PASS S.B. 518.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR HARDY:

We will open the hearing on S.B. 554.

SENATE BILL 554: Revises provisions governing electronic payments and payments for expedited services received by certain state agencies. (BDR 31-632)

MR. McTEER:

The primary purpose of S.B. 554 is to clarify language for those business models that would charge credit card fees back to the cardholder. *Nevada Revised Statute* 353 requires it be done on a transaction basis. The problem is, at the time of the transaction, you do not know the total charges for the transaction. That makes it difficult for the agency using that model to charge exactly what is charged to them. The intent of NRS 353 is to ensure an agency does not make money on that transaction. This bill would not dilute that, it would allow the agency to take a whole year to reconcile the fees and make sure they do not make or lose money.

SENATOR BEERS:

With this bill, you are anticipating an agency that takes credit cards would analyze whether its convenience fee was greater or less than its credit card expenses and adjust its convenience fee to balance out.

MR. McTEER:

I expect the agency to make the analysis as they go along and adjust those fees as needed to keep that net as close to zero as they can.

SENATOR RAGGIO:

How does this bill work when you say there is a restriction on credit card companies charging the fees?

MR. McTEER:

You are referring to my testimony for the previous bill when I was talking about credit card providers and what we are allowed to do. That is true. That is another issue separate from S.B. 554. The problem is all 50 states combined do as much revenue in 1 year on credit card transactions as Wal-Mart does on a Saturday afternoon. We have little stroke with credit card companies. We are working with those companies to get them to recognize government transactions are different from grocery store transactions. We must charge back close to what the cost is to the agency. The intent is to level that out over a period of one year.

SENATOR RAGGIO:

Why are we calling this a convenience fee? How does that work with the restriction where you cannot charge a fee?

MR. McTEER:

The language the credit card providers use is explicit on the terms "convenience fee" versus "processing fee." The intent of the bill is not to change the definition of fee as it is to allow the agency to have a revenue-neutral situation over a longer period of time as opposed to a transaction basis.

MS. ELLIOTT:

As we continue to research e-commerce and convenience fees, definition by definition will help us as we manage on a year-to-year basis. People are not using checks anymore. As electronic transactions increase, we can negotiate a better discount rate, but it is hard to determine the fee. Allowing us to be

flexible in the convenience fee model and putting the language into the policy will give department heads the ability to remain revenue neutral.

SENATOR LEE:

Do all agency transactions get counted for rate points and lesser commissions?

MS. ELLIOTT:

We have an individual who is negotiating for the state. Using electronic transactions causes the state to receive funds quicker, which is better for the state. However, all departments are not using it. As we phase this in, our discount rates will be greater. Privatizing this part of government does not work for us. We were looking at several states going in together and negotiating contracts, but that is something for the future.

MR. MCTEER:

We have services under good of the state contracts for the electronic payment platform and credit card processing. State agencies and local cities and counties can use these contracts, and there is a volume discount in both cases. The higher the total volume of state and local agencies that use that, the lower the charge.

SENATOR TITUS:

When the Treasurer's Office negotiates contracts with banks, why can they not negotiate credit card fees?

MR. MCTEER:

When you look at the total fees, a small part is controlled by the processor. However, many fees are exchange fees controlled by other banks, and there is no negotiation.

MS. ELLIOTT:

Some states will have a two-day delay crediting the state for the transaction and therefore waiving the fee. Analysis needs to be done relative to our volume before we can make a decision.

CHAIR HARDY:

Is there an association that might enable states to collectively negotiate these things?

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MR. McTEER:

The DMV through the American Association of Motor Vehicle Administrators is working on that issue. Members of the State Treasurer's staff plan to bring it up at the National Association of State Treasurers Conference. Those bodies are where we need to go collectively.

MR. FOLEY:

In our negotiations with the credit card companies, Bank of America submitted their Request for Proposal with discounted rates. In doing a comparison between what Bank of America and our current provider submitted, the state took advantage of the pricing offered by our current provider. The State Treasurer's Office is working on a common platform to work with Visa International to relax the charging of convenience fees for taxation and DMV payments.

In answering an earlier question, an electronic check is an ACH transaction. When you issue an electronic check, it goes through the account system as an ACH.

SENATOR BEERS:

What do you think about setting up multiple accounts to receive an individual agency's revenue figures and track revenue?

MR. FOLEY:

Whatever we can do to lower our costs and savings is beneficial. We have been working with the State Controller's Office and Mr. McTeer to ease the reconciliation process that will load transactions generated through the electronic payment platform directly into the IFS. We are close to rolling out the first phase that encompasses the debit card, MasterCard and Visa program. Within the next two months, we should have most issues resolved.

CHAIR HARDY:

We will close the hearing on S.B 554.

SENATOR BEERS MOVED TO DO PASS S.B. 554.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR HARDY:

We will open the work session starting with S.B. 84.

SENATE BILL 84: Requires the approval of building officials for certificates pertaining to the subdivision of certain buildings. (BDR 22-377)

CHAIR HARDY:

This bill applies to commercial or industrial projects where the Clark County building official wants to have a certificate prepared by an engineer. The amendment is from Sean Gamble of the Builders Association of Western Nevada who asked this apply only to Clark County. There was general support for this among the industry.

SENATOR LEE:

Are there any other amendments?

CHAIR HARDY:

The other amendment is from Ronald L. Lynn, Building Director for Clark County, regarding the original construction. That is important.

SENATOR TOWNSEND MOVED TO AMEND AND DO PASS AS AMENDED S.B. 84.

SENATOR LEE SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR HARDY:

We will move to S.B. 92.

SENATE BILL 92: Revises the applicability of certain provisions pertaining to the regulation of firearms by local governments. (BDR S-45)

CHAIR HARDY:

Would Senator Lee walk us through the agreement with local law enforcement?

SENATOR LEE:

This amendment satisfies the needs of the Shooting, Hunting, Outdoor Trade Show (SHOT Show), the new regional shooting range and people with Concealed Carry Weapon (CCW) permits from other states. It suggests that once someone has been in Clark County for 60 days for that purpose, they are to register their gun. The police departments want 30 days, but 60 days is what it takes to license your vehicle. I want to keep consistent dates so everyone knows when they teach and train new officers what dates to remember so they can enforce the law.

CHAIR HARDY:

It is no longer a preemption bill. The original draft of the bill would preempt the 1989 ordinances, which means no law enforcement agency would have gun registration laws. That was opposed by law enforcement. The real issues were with the SHOT Show and visitors who were confused by the ordinances. We decided to focus on those issues. Most gun owners want to obey the law.

This amendment will change the law so residents of Clark County have 72 hours after receiving title to register guns. If you are not a resident, for purposes of gun registration, you become a resident of Clark County 60 days after you arrive.

SENATOR LEE:

If someone moves to Nevada and has a CCW permit from another location, they have to notify the appropriate agencies and become a Nevada CCW permit carrier within 60 days.

CHAIR HARDY:

That is existing law.

SENATOR TITUS:

Does this include the reciprocity issue for concealed weapons?

CHAIR HARDY:

We are dealing with that in a separate piece of legislation.

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SENATOR CARE:

If we adopt the bill with the two amendments, the two ordinances at issue remain on the books. What happens to someone who comes into Nevada with a firearm for 59 days?

CHAIR HARDY:

They are not impacted. There is no requirement.

SENATOR BEERS:

I would like to see a mock-up of the bill.

SENATOR TITUS:

What is the residency requirement for being eligible to vote?

SENATOR BEERS:

The Legislative Operations and Elections Committee just passed a proposed constitutional amendment that would move the residency for voter registration from 6 months to 30 days.

SENATOR TITUS:

That would put us in compliance with federal statute. Why would you have one residency requirement for one thing and not the other?

CHAIR HARDY:

Generally, you are talking about someone having a weapon in their vehicle, and 60 days is the requirement for auto registration. While the officer is checking that, he can check the firearms statute. We are trying to make it uniform. We will hold this bill.

The next bill is S.B. 145.

SENATE BILL 145: Revises provisions relating to public utilities and fees.
(BDR 31-936)

CHAIR HARDY:

There is no opposition to law but some confusion about the term "gas."
One amendment references NRS 590 to make it easier for the public to read.

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SENATOR TOWNSEND MOVED TO AMEND AND DO PASS AS
AMENDED S.B. 145.

SENATOR BEERS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

* * * * *

CHAIR HARDY:
The next bill is S.B. 498.

SENATE BILL 498: Revises the authority of the Virgin Valley Water District to
borrow money and incur indebtedness. (BDR S-964)

SENATOR BEERS MOVED TO DO PASS S.B. 498.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR HARDY:

This meeting is adjourned at 12:09 p.m.

RESPECTFULLY SUBMITTED:

Erin Miller,
Committee Secretary

APPROVED BY:

Senator Warren B. Hardy II, Chair

DATE: _____